
**THE EFFECT OF TAX UNDERSTANDING AND TAXPAYER AWARENESS
ON THE PERCEPTION OF TAX REVENUE AMONG MSMES AT KPP PRATAMA CIAWI
(A CASE STUDY IN CIBUNGBULANG DISTRICT)****Susilawati¹, Darul Fahmi², Ganefo Sudirman³**^{1,2,3}Department of Tax Accounting, Pamulang University, Indonesia**Article History**Received : April 11th 2026Revised : April 14th 2026Accepted : April 28th 2026Published : May 9th 2026**Corresponding author:**dosen03166@unpam.ac.id**Cite This Article:** Susilawati, Fahmi, D., & Sudirman, G. (2026). THE EFFECT OF TAX UNDERSTANDING AND TAXPAYER AWARENESS ON THE PERCEPTION OF TAX REVENUE AMONG MSMES AT KPP PRATAMA CIAWI (A CASE STUDY IN CIBUNGBULANG DISTRICT). *International Journal Management and Economic*, 5(2), 41–47. <https://doi.org/10.56127/ijme.v5i2.2687>**DOI:**<https://doi.org/10.56127/ijme.v5i2.2687>

Abstract: This study aims to examine the effect of tax understanding and taxpayer awareness on the perception of tax revenue among Micro, Small, and Medium Enterprises registered at KPP Pratama Ciawi, particularly in Cibungbulang District. The research adopts a quantitative associative approach using primary data collected through structured questionnaires distributed to MSME actors. The data were analyzed using multiple linear regression to identify both partial and simultaneous effects of the independent variables on the dependent variable. The findings indicate that tax understanding does not have a significant effect on the perception of tax revenue, while taxpayer awareness has a positive and significant influence. Simultaneously, both variables significantly affect the perception of tax revenue. These results suggest that enhancing internal awareness plays a more critical role than cognitive understanding in shaping positive perceptions toward tax revenue among MSMEs. The study provides implications for tax authorities to strengthen awareness-based education and outreach programs.

Keywords: Tax Understanding, Taxpayer Awareness, Perception Of Tax Revenue, Msmes, Taxation Compliance

INTRODUCTION

Tax is the largest source of state revenue used to finance national development, public services, and the improvement of societal welfare. One sector that contributes to tax revenue is Micro, Small, and Medium Enterprises (MSMEs), whose number continues to increase every year. Based on data from the Ministry of Cooperatives and MSMEs, the number of MSMEs in Indonesia has reached more than 65 million units and serves as a major driver of the national economy. Considering the scale and economic activities involved, MSMEs should be able to make a significant contribution to tax revenue, particularly through the income tax scheme regulated under Government Regulation Number 23 of 2018.

However, empirical phenomena indicate that tax revenue from the MSME sector remains suboptimal. This is reflected in the low level of reporting and tax compliance among MSMEs across various regions, including the working area of KPP Pratama Ciawi. One of the contributing factors is the limited tax understanding among MSME taxpayers. Regarding tax provisions, such as the calculation of final tax rates, reporting mechanisms, and administrative procedures at the Tax Service Office, many MSME actors focus primarily on business activities and therefore lack sufficient understanding of their tax obligations. This condition leads to inaccurate perceptions regarding tax revenue, tax benefits, and their responsibilities as taxpayers.

According to Rahayu and Yuliana, several tax socialization programs conducted by the tax authority still reveal that MSMEs perceive taxes as a burden, consider tax rates to be too high, or assume that taxes do not provide direct benefits to their businesses (Rahayu, 2020; Yuliana, 2020). Such perceptions arise due to inadequate tax understanding. In addition, the level of taxpayer awareness among MSMEs in fulfilling tax obligations also varies. Some taxpayers only pay taxes when required for specific administrative purposes,

such as applying for loans, participating in tenders, or obtaining business permits. This indicates that their awareness has not yet developed from internal understanding but is instead driven by administrative needs.

Taxpayer awareness is an important aspect in improving perceptions of tax revenue. Taxpayers who are aware of the importance of taxes for development tend to have a positive perception of tax revenue and demonstrate higher compliance in fulfilling their obligations. Conversely, taxpayers who lack awareness and do not understand the benefits of taxation tend to perceive taxes as burdensome. These differences in perception ultimately influence the extent of MSME contributions to tax revenue in the region.

Rahmawati explains that tax understanding includes knowledge of rights, obligations, sanctions, and tax procedures, which can enhance taxpayer compliance (Rahmawati, 2022). Meanwhile, taxpayer awareness reflects an internal willingness to pay taxes based on the understanding that taxes are used to support national development (Rahayu, 2020; Yuliana, 2020). This awareness is closely related to voluntary tax compliance behavior. Furthermore, the perception of tax revenue refers to taxpayers' assessment of how the government manages collected taxes, whether it is perceived as fair, transparent, and beneficial to society (Supriyati, 2021). This perception influences taxpayer behavior and participation in fulfilling tax obligations.

Previous studies have examined tax understanding, taxpayer awareness, and taxpayer perceptions. However, the findings remain inconsistent, indicating the presence of a research gap. For instance, Yuliana found that tax understanding has a significant effect on tax perception (Yuliana, 2020). In contrast, Yanti found that tax understanding does not significantly affect taxpayer perception (Yanti, 2021). These inconsistencies highlight the need for further research, particularly in the MSME context.

In addition, Sari found that taxpayer awareness has a direct effect on tax revenue (Sari, 2022). However, another study by Putra indicates that taxpayer awareness does not significantly influence tax revenue perception unless it is accompanied by education or prior tax payment experience (Putra, 2023). These inconsistent findings further emphasize the need for additional research using different objects to strengthen the scientific understanding of these variables.

Ultimately, the lack of understanding and low level of awareness influence MSMEs' perceptions of tax revenue. Misperceptions can affect taxpayer attitudes and behavior. For example, when taxpayers perceive taxes solely as a burden without recognizing their benefits, they tend to be reluctant to fulfill their tax obligations.

METHODOLOGY

This study adopts a quantitative approach with an associative research design to examine the causal relationships between variables. The quantitative approach is selected because it enables the measurement of relationships among variables using numerical data and statistical analysis. The associative design is appropriate for identifying the effect of independent variables, namely tax understanding and taxpayer awareness, on the dependent variable, which is the perception of tax revenue. The research was conducted within the working area of KPP Pratama Ciawi, focusing on Micro, Small, and Medium Enterprises located in Cibungbulang District. This location was selected due to the presence of a significant number of MSMEs and the relevance of tax compliance issues in this area. The context provides a suitable setting to explore how taxpayers perceive tax revenue based on their level of understanding and awareness.

The population of this study consists of MSME actors registered as taxpayers in the selected area. These entities represent an important segment of the economy and are expected to contribute to tax revenue. However, variations in compliance and perception among MSMEs make them a relevant population for this research. The sampling technique employed in this study is purposive sampling, where respondents are selected based on specific criteria relevant to the research objectives. The criteria include MSME actors who are actively engaged in business activities and are registered as taxpayers. This approach ensures that the selected respondents possess adequate experience and knowledge related to taxation.

Data collection was carried out using a structured questionnaire distributed to respondents through an online platform. The questionnaire was designed to capture respondents' perceptions, levels of tax understanding, and awareness of tax obligations. Each item in the questionnaire was developed based on relevant theoretical constructs to ensure content validity. The variables in this study consist of 2

independent variables (tax understanding and taxpayer awareness) and 1 dependent variable (perception of tax revenue). Tax understanding is measured through indicators related to knowledge of tax regulations, procedures, and obligations. Taxpayer awareness is assessed through indicators reflecting internal motivation and willingness to fulfill tax obligations. Meanwhile, the perception of tax revenue is measured through respondents' evaluation of fairness, transparency, and benefits of tax management.

The data collected were analyzed using multiple linear regression analysis. This method is employed to determine the partial and simultaneous effects of the independent variables on the dependent variable. Prior to regression analysis, classical assumption tests were conducted to ensure that the data meet the required statistical assumptions, including normality, multicollinearity, and heteroscedasticity.

The results of the analysis are interpreted to provide empirical evidence regarding the relationships among variables. The findings are then discussed in relation to existing theories and previous studies. This approach allows the study to contribute to the development of knowledge in taxation, particularly in understanding the behavioral aspects of MSMEs in relation to tax perception and compliance.

RESULTS

Descriptive Statistics

Table 1. Descriptive Statistics

Variable	N	Minimum	Maximum	Mean	Std. Deviation
Tax Understanding	58	10	50	19.7586	7.50511
Taxpayer Awareness	58	10	50	18.6552	8.0384
Perception of Tax Revenue	58	10	50	19.6724	8.59291
Valid N (listwise)	58				

Tax Understanding (X1)

The descriptive statistical analysis shows that tax understanding has a minimum value of ten and a maximum value of fifty. The mean value indicates that the level of tax understanding among MSME actors is generally moderate. The standard deviation reflects a reasonable variation among respondents. Overall, these findings suggest that tax understanding still needs to be improved, particularly regarding tax regulations and obligations, in order to support the enhancement of tax revenue.

Taxpayer Awareness (X2)

The results indicate that taxpayer awareness ranges from a minimum of ten to a maximum of fifty, with an average level categorized as moderate. The standard deviation shows variation among respondents' awareness levels. Although some respondents demonstrate awareness in fulfilling tax obligations, further education and socialization are required to improve awareness more evenly across MSMEs.

Perception of Tax Revenue (Y)

The descriptive analysis reveals that the perception of tax revenue ranges from a minimum of ten to a maximum of fifty, with an average indicating a moderately positive perception among respondents. The standard deviation suggests acceptable variation in perceptions. Overall, MSME actors tend to have a fairly positive perception of tax revenue, although improvements in tax understanding and awareness are still necessary to further strengthen these perceptions and support optimal tax revenue.

Classical Assumption Test

Normality Test

Table 2. One-Sample Kolmogorov-Smirnov Test

Statistic	Value
N	58
Normal Parameters	
Mean	0.3720268
Std. Deviation	3.77929228
Most Extreme Differences	

Absolute	0.106
Positive	0.106
Negative	-0.084
Test Statistic	0.106
Asymp. Sig. (2-tailed)	0.161
Monte Carlo Sig. (2-tailed)	0.104
99% Confidence Interval	
Lower Bound	0.097
Upper Bound	0.112

Notes:

- a. Test distribution is normal.
- b. Calculated from data.
- c. Lilliefors significance correction.
- d. Lilliefors method based on Monte Carlo sampling.

Based on the Kolmogorov–Smirnov normality test, the Asymp. Sig. value exceeds the significance level, indicating that the residual data are normally distributed.

Multicollinearity Test

Table 3. Multicollinearity Test Results

Model	B	Std. Error	Beta	t	Sig.	Tolerance	VIF
(Constant)	1.574	1.962		0.802	0.426		
Tax Understanding (X1)	0.349	0.173	0.294	2.016	0.049	0.34	2.943
Taxpayer Awareness (X2)	0.572	0.155	0.538	3.695	<0.001	0.34	2.943

Based on the table above, the VIF values are below the threshold, indicating that no multicollinearity is present in the model.

Heteroscedasticity Test

Table 4. Heteroscedasticity Test Results

Model	B	Std. Error	Beta	t	Sig.
(Constant)	0.449	0.552		0.814	0.419
Tax Understanding (X1)	0.035	0.034	0.189	1.025	0.31
Taxpayer Awareness (X2)	-0.026	0.034	-0.14	-0.758	0.452

Based on the table above, the probability value exceeds the significance level, indicating that the model does not exhibit heteroscedasticity.

Coefficient of Determination Test

Table 5. Coefficient of Determination Test Results

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.896	0.803	0.796	3.88395

The coefficient of determination indicates that the independent variables jointly explain a substantial proportion of the variation in the perception of tax revenue among MSMEs, while the remaining variation is influenced by other factors outside the model. The adjusted coefficient also confirms that the model maintains strong explanatory power, indicating that the regression model is adequate and appropriate for further analysis.

F-Test / Simultaneous Test

Table 6. F-Test / Simultaneous Test Results

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	3379.095	2	1689.548	112.001	<0.001
Residual	829.681	55	15.085		
Total	4208.776	57			

Based on the ANOVA results, the model is statistically significant, indicating that tax understanding and taxpayer awareness simultaneously have a significant effect on the perception of tax revenue among MSMEs.

t-Test (Partial Test)

Table 7. t-Test (Partial Test) Results

Model	B	Std. Error	Beta	t	Sig.
(Constant)	1.961	1.479		1.326	0.19
Tax Understanding (X1)	-0.022	0.1	-0.019	-0.219	0.827
Taxpayer Awareness (X2)	0.973	0.093	0.91	10.434	<0.001

Based on the regression results, tax understanding does not have a significant effect on the perception of tax revenue, as indicated by a probability value above the significance level. In contrast, taxpayer awareness has a positive and significant effect, indicating that higher levels of awareness lead to more favorable perceptions of tax revenue among MSMEs.

Partial Effect (t-test)

1. Tax Understanding (X1)

The results indicate that tax understanding does not have a significant partial effect on the perception of tax revenue. This suggests that cognitive knowledge alone is insufficient to shape positive perceptions, especially without support from trust, experience, and perceived transparency in tax management.

2. Taxpayer Awareness (X2)

In contrast, taxpayer awareness has a positive and significant partial effect on the perception of tax revenue. This implies that higher awareness strengthens positive perceptions, as taxpayers recognize their obligations and the broader benefits of taxation for public welfare.

3. Simultaneous Effect (F-test)

The simultaneous test shows that tax understanding and taxpayer awareness jointly have a significant effect on the perception of tax revenue. This indicates that both variables collectively contribute to shaping MSMEs' perceptions, even though their individual effects may differ.

Discussion

The Effect of Tax Understanding on the Perception of Tax Revenue among MSMEs

The results of this study indicate that tax understanding does not have a significant effect on the perception of tax revenue among MSMEs in Cibungbulang District. This finding contradicts the first hypothesis, which states that higher levels of tax understanding would lead to more positive perceptions of tax revenue. Based on the results of the t-test, the calculated t-value is lower than the critical value, and the significance level exceeds the accepted threshold. Therefore, tax understanding does not have a significant partial effect on the perception of tax revenue. This suggests that although MSME actors possess knowledge regarding tax functions, regulations, rates, and procedures, such knowledge alone is not sufficient to directly shape positive perceptions of tax revenue.

The Effect of Taxpayer Awareness on the Perception of Tax Revenue among MSMEs

The findings further reveal that taxpayer awareness has a positive and significant effect on the perception of tax revenue among MSMEs in Cibungbulang District. This supports the second hypothesis, indicating that higher levels of taxpayer awareness are associated with more positive perceptions of tax revenue. The t-test results demonstrate a strong and statistically significant relationship, suggesting that awareness plays

a crucial role in shaping taxpayers' perceptions. MSME actors who understand their obligations and recognize the importance of taxation for national development are more likely to develop favorable perceptions toward tax revenue.

The Simultaneous and Partial Effects of Tax Understanding and Taxpayer Awareness on the Perception of Tax Revenue among MSMEs

Based on the results of multiple linear regression analysis, tax understanding and taxpayer awareness exhibit different effects on the perception of tax revenue among MSMEs, both partially and simultaneously. While tax understanding does not significantly influence perceptions on its own, taxpayer awareness demonstrates a significant impact. However, when considered together, both variables contribute significantly to explaining variations in the perception of tax revenue.

CONCLUSION

This study concludes that taxpayer awareness plays a crucial role in shaping the perception of tax revenue among Micro, Small, and Medium Enterprises. The findings demonstrate that awareness has a positive and significant influence, indicating that taxpayers who possess a strong sense of responsibility and understand the importance of taxation for national development tend to develop more favorable perceptions toward tax revenue. In contrast, tax understanding does not show a significant effect when examined independently, suggesting that cognitive knowledge alone is insufficient to influence perception without being supported by internal motivation and trust in the tax system.

Furthermore, the results reveal that tax understanding and taxpayer awareness collectively contribute to explaining the perception of tax revenue. This implies that while knowledge remains important, it must be accompanied by awareness and positive experiences to effectively influence taxpayer attitudes. Therefore, efforts to improve tax compliance and perception among MSMEs should not only focus on increasing knowledge through education but also emphasize building awareness, trust, and transparency in tax management. Strengthening these aspects is essential to encourage voluntary compliance and enhance overall tax revenue sustainability.

BIBLIOGRAPHY

- Putra, R. A., & Lestari, D. (2022). Literasi pajak dan persepsi penerimaan pajak UMKM. *Jurnal Ekonomi dan Kebijakan Publik*, 9(2), 101–115.
- Mahwiyah, S. G. (2024). Pengaruh profitabilitas, leverage, dan ukuran perusahaan terhadap penghindaran pajak pada perusahaan manufaktur subsektor makanan dan minuman. *[Nama Jurnal/Repository]*, 1, 417–423. <http://repository.eka-prasetya.ac.id/id/eprint/309>
- Rahmawati, L., & Prabowo, R. (2023). Pemahaman fungsi pajak dan persepsi penerimaan pajak pada UMKM. *Jurnal Riset Perpajakan Indonesia*, 4(1), 55–70.
- Sari, N., & Wahyudi, T. (2021). Kesadaran wajib pajak dan persepsi penerimaan pajak pada UMKM. *Jurnal Ekonomi dan Bisnis*, 10(1), 33–47.
- Yanti, R. (2021). Pengaruh pemahaman pajak terhadap persepsi wajib pajak UMKM. *Jurnal Riset Akuntansi*, 7(1), 23–35.
- Yuliana, T. (2020). Pengaruh pemahaman pajak terhadap persepsi dan kepatuhan wajib pajak UMKM. *Jurnal Akuntansi dan Perpajakan*, 6(2), 88–101.
- Ma'ruf, M. H., & Supatminingsih, S. (2020). The effect of tax rate perception, tax understanding, and tax sanctions on tax compliance with small and medium enterprises (MSME) in Sukoharjo. *International Journal of Economics, Business and Accounting Research (IJEBAR)*, 4(4).
- Rosly, A. S. (2022). Taxpayer Perceptions of tax awareness, tax education, and tax complexity among small and medium enterprises in Malaysia: A quadrant analysis approach. *Universal Journal of Accounting and Finance*.
- Angelia, L., & Arfamaini, R. (2024, November). The Influence of Tax Rates, Taxpayer Awareness, Taxpayer Knowledge and Understanding, and Tax Sanctions on Taxpayer Compliance as MSMEs in the West Surabaya Region. In *Proceeding ICAMEKA: International Conference Accounting, Management & Economics Uniska* (Vol. 1, pp. 445–457).
- Lestary, S. R., Sueb, M., & Yudianto, I. (2021). The effect of tax fairness, tax socialization and tax understanding on tax compliance: A study on micro, small and medium enterprises (MSMEs). *Journal of Accounting Auditing and Business*, 4(1), 8.

- Nurmalasari, N., & Mahwiyah, M. (2026). Analysis of the influence of tax knowledge and tax compliance on the perception of tax revenue among MSME actors in Cibungbulang District at KPP Pratama Ciawi. *Priviet Social Sciences Journal*, 6(1), 120-129.
- Nurhayadi, W., Rahmat, A., & Subroto, D. I. (2022). The Effect of Tax Collectors, Taxpayer Awareness, and Tax Sanctions on Taxpayer Compliance. *Jurnal Ekonomi*, 11(02), 1001-1012.
- Nurhayadi, W., Rahmat, A., & Subroto, D. I. (2022). The Effect of Tax Collectors, Taxpayer Awareness, and Tax Sanctions on Taxpayer Compliance. *Jurnal Ekonomi*, 11(02), 1001-1012.
- Rantelobo, A. T., & Utami, S. E. (2024). The Influence of Tax Knowledge, Tax Understanding, Tax Penalties, and Perceived Benefits on the Tax Compliance of MSME Taxpayers. *Public Policy: Jurnal Aplikasi Kebijakan Publik dan Bisnis*, 5(2), 1111-1123.
- Malau, D. N., Lasmini, L., & Trisyanto, A. (2024). The Influence of Taxpayer Knowledge and Tax Awareness on Compliance Must Tax for Perpetrator Msmes in East Kara-wang District, Karawang Regency. *International Journal of Economics and Management Research*, 3(2), 423-433.